(c) No, Sir. The ratio of internal debt of the Central Government to revenue receipts is continuously declining as shown in the table given below:

| Year (end-March) | Internal liabilities of Central Government | Revenue Receipts of Central Government | Ratio of Internal liabilities to Revenue Receipts |
|---|---|---|---|
| | (Rs. crore) | | (per cent) |
| 2003-04 | 1,690,554 | 263,813 | 640.8 |
| 2004-05 | 1,933,544 | 305,991 | 631.9 |
| 2005-06 | 2,165,902 | 347,462 | 623.3 |
| 2006-07 (RE) | 2,434,329 | 423,331 | 575.0 |
| 2007-08 (BE) | 2,633,197 | 486,422 | 541.3 |

Source: Receipts budget of Central Government, 2007-08

(d) In order to moderate the debt/liabilities burden, Government of India has been following a comprehensive strategy which includes:

1. Reduction in fiscal deficit in a phased manner as per Fiscal Responsibility Budget Management Act, 2003.
2. Obtain fresh debt at minimum costs.
3. Reduce carrying cost of outstanding debt burden through debt restructuring measures such as:

- Buyback of high coupon Government securties contracted during the earlier high interest rate regime.
- Utilisation of receipts under States Debt Scheme to repay high coupon special securities to National Small Savings Fund (NSSF).
- Repayment of high cost external loans from bilateral as well as multilateral sources. External debt in excess of USD 6 billion have been prepaid during Fiscal Year 2002-03 and 2003-04 to World Bank, ADB and many bilateral sources.

**Import of currency note paper**

959. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that currency note paper is being imported, if so, the names of the countries from where it is imported;

(b) whether the cost of the imported paper is more than the currency note, if so, how much;

(c) whether the Central Government are taking serious steps to produce such paper in the country, if so, the details thereof; and

(d) if not, how far India shall be suffering such a heavy loss?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir. Presently, the currency note paper is being imported from France, Germany, Italy, Netherlands, Sweden and UK.

(b) No, Sir.

(c) and (d) To achieve self-sufficiency in the production of currency paper, the issue of creating adequate production capacities within the country is under consideration of the Government.

**Environment cess on diesel vehicles**

960. SHRI AMIR ALAM KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received number of suggestions for discouraging the use of diesel vehicles and also the industry producing non-fuel efficient vehicle;

(b) if so, whether it would not be proper to impose environment cess on diesel run vehicles; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Government had received suggestion for introducing fiscal measures for discouraging use of diesel vehicles and other non-fuel efficient vehicles. Among the measures, it had been suggested to levy a special environment cess on diesel run motor vehicles.

(b) and (c) Government had examined the suggestion and it was decided that the suggestion cannot be agreed to.

**Concession to exporters**

961. SHRI AMIR ALAM KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to accord big concession on demand from exporters since exports provide employment opportunities besides revenues;

(b) if so, whether textiles, garments, gems, jewellery and leather sectors will be benefited;

(c) whether the export of above items will affect the domestic markets; and

(d) if so, to what extent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No such proposal is under consideration of the Government for the present.

(b) to (d) Nil, in view of the reply at part (a) above.